

~~SECRET~~

## PRINCETON CONSULTANTS' MEETINGS 23-24 January 1957

Following are the minutes of the Princeton Consultant meetings on 23-24 January. The Consultants taking part for both days were Messrs. Armstrong, Black, Hoover, Knorr, Langer, Lincoln, Linder, Millikan, Mossely, Reitsel and Strayer. Participating on 23 January only was Young. From ONE, Cooley, Smith, Harris, and Billington were present for both days, and Admiral Schuirmann and Matthias for 24 January.

Stability and Cohesion in the Soviet Satellites: The Consultants spent all morning and part of the afternoon of January 23 discussing the draft of NIE 12-57. In discussing the basic factors affecting stability and cohesion, LINCOLN and ARMSTRONG felt that the attitudes of the free world should be included, and that the demonstration of unwillingness to accept risks in aiding a UN member appealing for aid would have profound repercussions in the area. HOOVER felt that nationalism was only the garb and rallying banner for anti-communism, and that this anti-communism in Eastern Europe had remained undiminished. He considered the lack of a larger protest vote in the Polish election explainable only in terms of the regime's use of intimidation and repression. However, most of the Consultants agreed with ARMSTRONG that the Poles simply thought Gomulka was the best they could get in the wake of the Hungarian experience. MOSELY pointed out that Pilsudski also scored an overwhelming triumph when he went before the electorate only two months after a sudden return to the political arena. LANGER thought that fear of Germany was an important factor in producing the rally behind Gomulka.

~~SECRET~~

## SECRET

KNORR questioned the relative lack of emphasis in the paper on economic factor, which he considered the critical one in terms of future prospects for the area and possible US courses of action. The Consultants then generally agreed with the argument advanced by MILLIKAN that the degree to which a national Communist solution of the Polish type proves viable may depend on its ability to solve economic problems, and that solving these problems may require destruction of some of the guts of the Communist system. MILLIKAN and BLACK felt that as the image of the Hungarian experience wanes, it will be a diminishing force for inducing stability and conformity in the area and that economic conditions will become increasingly determinate. MILLIKAN thought that a special paper should be written analyzing the economic debate in Poland and the implications and political overtones of the reorganization of the Polish economy. BLACK felt that attention should be paid to the non-Communist liberals and modernizers in some of the Satellites who might be able to work for a phased liberalization from within.

MOSELY emphasized that conditions do not affect people mechanically, but rather through the psychology of the given area. He thought the possibilities of improvements in Poland's economic situation were better than implied in the estimate. He thought that increased incentive to work for an independent regime among the workers and the substantial potential of Poland's managerial class might bring about considerable progress. He pointed out that Poland has a higher productivity in coal per worker than England and France, and that it had a basically rich and

SECRET

balanced national economy. Many of its problems might be solved by Western aid and lowering of military expenditures. HOOVER and KNORR were more pessimistic about Polish economic prospects. HOOVER pointed to continued inability to increase production under Gomulka; KNORR doubted that steps such as wage concessions will prove even as successful as Stalin's more repressive methods in effecting economic improvement.

Although the Consultants generally agreed with the basic estimate that the USSR is not now genuinely seeking a formula for pulling out of Eastern Europe, they felt that the paper ruled out too summarily the possibility that the USSR would give more serious consideration to some kind of offer. LINDER and LANGER suggested that the Soviets would probably pull out of Eastern Europe if we pulled out of Western Europe; STRAYER thought the USSR might even look with favor on Poland getting grants from the US to help it out of its current economic situation. MILLIKAN felt that the categorical estimate about Soviet determination to retain control in Eastern Europe (last sentence of paragraph 19) oversimplified the picture and gave insufficient weight to the tremendous costs the USSR faced in maintaining that control. He felt that although a flat withdrawal proposal would not be accepted, stress should be placed on the fact that a new context had been created in which the range of alternatives had necessarily broadened.

There was general agreement that more mention should be made of the role of Yugoslavia and Communist China. ARMSTRONG thought that the political considerations which were paramount in inducing the USSR to

## SECRET

reject, reaccept, and then re-reject Tito must also be operative in their policies toward Poland. LANGER agreed that prestige was the critical Soviet consideration and thought it degrading for the East Europeans and unparalleled for the USSR to call in Chou En-lai to smooth things over in the Satellites. BLACK felt the use of China as intercessor was not resented and was probably an effective way of convincing in the Satellites that despite temporary problems they are part of a much larger bloc which is still the wave of the future. BLACK suggested Finland might prove a better example of an eventual outcome in some of the more troublesome Satellites than Yugoslavia. In some respects, a Finnish solution was preferable to a Titoist one since Finland was more subject to Soviet dictation on foreign policy than Yugoslavia. STRAYER thought that Soviet relations with Communist China might be the pattern that the Soviets had in mind for future dealings with the East European Satellites. On the question of what and how much variation the USSR will be able to tolerate in its Satellite empire, there were three positions put forward by the Consultants.

1. ARMSTRONG tended to think that Soviet policy had to be toward the area as a whole, and that the same considerations of prestige and political power will have to stiffen Soviet attitudes toward the region as a whole. ARMSTRONG pointed out that the Bloc has been almost as uniform in its pattern of rehabilitation and partial reexcommunication of Tito as it was in its original denunciation and purges of 1948-9. MOSELY tended to support this position by suggesting that the Soviets suffered no real hesitation,

## SECRET

only a necessary tactical pause waiting for reinforcements before crushing the Hungarian uprising. Most of the Consultants agreed with the estimate that any defection from the Bloc except by Albania would be inadmissible to the USSR.

2. STRAYER felt that the USSR would have to continue to insist on uniform responses to the outside world, but can and will allow for considerable and increasing variations in domestic policy.

3. BLACK felt that the USSR would allow for general divergence between countries, wherever unavoidable, rather than attempt to distinguish between domestic and foreign policies, which would be difficult in key issues such as foreign trade and aid. LINDER and LINCOLN favored more discussion of the Satellites as individuals. LINCOLN got little support for his idea that a soft neutral area to the South might be sanctioned by the USSR; but there was considerable sympathy for the idea that the USSR might feel that it could continue to sanction divergences in some of the Satellites, because of the national interest of countries like Bulgaria and Czechoslovakia in maintaining close contact with the USSR and the inability or disinclination of most Satellites to follow the Polish example at present.

- 5 -

SECRET

## SECRET

On the military importance of the area to the Bloc, MILLIKAN thought that the USSR continued to value Eastern REurope for defensive purposes, it must have written off the area for possible offensive use vs. Western Europe. LINCOLN thought the area was still considered usable as a base even if local forces could not be trusted, and MOSELY thought the technological strength of Soviet forces had so increased that the Satellite forces had lost much of their importance in Soviet planning anyhow. LINCOLN thought that the building up of Satellite military forces had probably contributed to nationalism in the area — and would probably inevitably do so if (1) conscription was used and (2) high professional standards were to be attained.

The Consultants thought some mention should be made of the attractive force of Western Europe in both the economic and cultural realms to many of the Eastern European Satellites. MOSELY said that the Polish government has urged the Rockefeller and Ford foundations to open contact and that exploratory missions have already been sent to Poland by both foundations. He thought that the experience of Jugoslavia in 1950 (when 90% chose English and only 2% chose Russian as their second foreign language after the choice was made elective) would probably be repeated in other Eastern European Satellites if a choice was permitted. There was general agreement not to expect much from the Czechs, however, who were thought to be faring well economically under the current arrangements and enjoy about as much contact with the West as they probably wanted.

- 6 -

SECRET